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## **The Javits-Wagner-O'Day Program**

*a source of viable employment and training options for Americans with severe disabilities*

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These are just a few examples of the wide variety of work settings and employment options available to people who are blind or have other severe disabilities as a result of today's Javits-Wagner-O'Day (JWOD) Program. With average wages approaching \$6.00 an hour and a growing number of program participants working at Federal facilities, it is time to take stock, re-examine old perceptions and look to the future of this unique Federal, State and local partnership.

The JWOD Program uses the purchasing power of the Federal Government to generate employment and training opportunities for people who are blind or have other severe disabilities. It provides a major and stable source of employment-generating contracts for over 560 nonprofit agencies, also known as community rehabilitation programs, located throughout the United States. Recent changes in the way the Federal Government purchases supplies and services are breaking down old distinctions between the government and private sectors. As a result, people with severe disabilities now have a greater potential to access employment opportunities in a wider range of settings where commercial practices and consumer choice prevail. Rehabilitation professionals and consumers need to be aware of these changes as new vocational options become available through JWOD participating agencies in their communities.

## **HISTORICAL PERSPECTIVE**

At the beginning of the twentieth century, the production of hand crafted items, and particularly brooms, was a significant source of employment for people who are blind **in the United States**. In response to legislation enacted by Congress establishing controls over the practice of using prison labor for the production and sale of a range of goods to States and the Federal Government, the blind community was concerned that its market for brooms and other similar items would be threatened. Peter J. Salmon, Assistant Director of the Industrial Home for the Blind in Brooklyn, New York, together with the President of the American Foundation for the Blind, M.C. Migel, and its Executive Director, Robert B. Irwin, sought to preserve this market as a source of

employment for people who are blind. After positive discussions with prison officials, labor leaders, industry representatives and members of Congress, two individuals, Senator Robert F. Wagner (D-NY) and Representative Caroline O'Day (D-NY), both deeply interested in issues affecting people who are blind, agreed to sponsor bills in the Senate and House of Representatives. Both bills were passed and what became known as the Wagner-O'Day Act was signed into law by President Franklin D. Roosevelt on June 25, 1938.

The law mandated that the Federal Government purchase brooms, mops and "other suitable commodities" furnished by nonprofit agencies employing people who are blind. **Thus, it used the purchasing power of the Government as a catalyst for both sustaining and expanding employment opportunities.** The law also required that at least 75 percent of a participating organization's direct labor employees be people who are blind.

The new law also established a Presidentially appointed "Committee on Purchases of Blind-made Products" to oversee the Program and to authorize a Central Nonprofit Agency to facilitate the distribution of orders and perform other related functions. In this regard, a group of representatives from 20 local agencies serving people who are blind in 11 States had met at the American Foundation for the Blind soon after the law was passed. A committee had been appointed to address various aspects of the law, and it was out of these discussions that National Industries for the Blind (NIB) was created. NIB was subsequently authorized as the Program's first Central Nonprofit Agency by the **Committee on Purchases of Blind-made Products.**

In 1971, Senator Jacob Javits and a coalition of agencies serving people with a range of severe disabilities spearheaded efforts to expand the Wagner-O'Day Act. The agencies included Goodwill Industries International, the National Easter Seal Society, the American Rehabilitation Association, The ARC, the United Cerebral Palsy Association and the International Association of Jewish Vocational Services. These six groups soon formed a new organization--NISH (formerly known as National Industries for the Severely Handicapped)--whose specific purpose was to support the JWOD Program and seek authorization as its second Central Nonprofit Agency. The resulting Javits-Wagner-O'Day (JWOD) Act (41 U.S.C. 46-48c) permitted nonprofit agencies serving people with "other" severe disabilities to participate in the Program and authorized nonprofit agencies to provide not only supplies, but also services to the Government.

### **The JWOD Team**

As indicated above, there are three organizations which work, often behind the scenes, to help nonprofit agencies provide supplies and services to the Government. Their efforts generate a wide range of vocational opportunities for people who are blind or have other severe disabilities, which, whenever possible, prepare them to engage in competitive employment. These three organizations are the Committee for Purchase From People Who Are Blind or Severely Disabled (formerly called the Committee on Purchases of Blind-made Products when the Wagner-O'Day Act was passed in 1938, and hereafter referred to as the "Committee"), National Industries for the Blind (NIB) and

NISH (formerly known as National Industries for the Severely Handicapped).

The Committee is a small, independent Federal agency which is part of the Executive Branch. It is comprised of 15 Presidentially appointed members, 11 of whom represent Governmental agencies (see Figure 1). In most cases, these representatives are career executives who have a wealth of experience and knowledge about how the Federal procurement system works. The remaining four members are private citizens representing the concerns of people who are blind or have other severe disabilities, including those who are employed by JWOD affiliated nonprofit agencies.

Among its many responsibilities, the Committee:

- Determines which supplies and services purchased by the Federal Government must be procured from nonprofit agencies employing persons with severe disabilities;
- Establishes the fair market prices to be paid for these items;
- Oversees compliance of nonprofit agencies with Committee rules and regulations (through on-site reviews of agency operations and other means); and
- Assists Federal agencies in expanding their JWOD procurement, thereby creating more employment opportunities for people with severe disabilities.

To help carry out its mandate, the Committee has a full-time staff of 18 located in Arlington, Virginia. The Committee staff reviews proposed supplies and services to ensure the Committee has adequate data to determine their suitability for inclusion in the Program. Information compiled by NIB and NISH is analyzed the staff and is submitted to Committee members for consideration in deciding whether to add new supplies and services under the JWOD Program.

The other two organizations which are part of the JWOD team are **National Industries for the Blind (NIB)** and **NISH**. The JWOD Act directs the Committee to designate "a central nonprofit agency or agencies to facilitate the distribution" of Government orders among nonprofit agencies employing persons who are blind or have other severe disabilities. The Committee has designated National Industries for the Blind (NIB) and NISH to perform this and other functions. They provide a range of consultation and technical assistance services by working closely with Government contracting specialists and local nonprofit agencies to match Government requirements with the capabilities of the agencies.

NIB and NISH are independent private organizations, not Federal entities. Each of the 567 State or private nonprofit agencies which participated in the JWOD Program at the end of FY 1994 is affiliated with either NIB or NISH. Major functions carried out by NIB and NISH in conjunction with the JWOD Program are:

- Allocating Government orders for JWOD items among nonprofit agencies.
- Assisting nonprofit agencies in developing new JWOD products or services for the Committee's consideration; calculating proposed JWOD prices; addressing

production/service provision problems; and complying with Committee regulations.

- Evaluating and expanding nonprofit agencies' capabilities to provide specific supplies and services.

Other key members of the JWOD team are the local organizations across the country which participate in the Program and the individuals with severe disabilities to whom these organizations provide direct services. These organizations, referred to as nonprofit agencies or community rehabilitation programs, are in the majority of cases private, charitable organizations with independent boards of directors. Some State agencies also employ people with severe disabilities under the Program. To qualify for participation in JWOD, an agency must be nonprofit and at least 75 percent of the hours of direct labor performed by the agency annually must be performed by people who are blind, in the case of agencies affiliated with NIB, or in the case of agencies affiliated with NISH, by people who are blind or have other severe disabilities. This requirement is to ensure that the JWOD Program serves the intended beneficiaries.

In order to participate in the JWOD Program, nonprofit agencies, like other Federal contractors, must be able to provide a quality commodity or service, on time, at a fair market price. And like other Federal contractors, nonprofit agencies must comply with all Federal regulatory requirements which govern entities that contract with the Federal Government. These requirements include, but are not limited to, environmental regulations and Department of Labor (DOL) regulations, including Occupational Safety and Health Administration (OSHA) and wage and hour requirements.

## **Who Are JWOD's Customers**

The JWOD Program is focused on a subset of the overall population of people with disabilities - those with severe disabilities who need specialized vocational and adaptive skill training, as well as opportunities to develop real-world work experience, thus enabling them to fulfill their potential and, whenever possible, qualify for competitive employment. To be eligible for employment under the Program, individuals who are blind and those with a severe disability other than blindness must meet the following criteria:

**Legal Blindness** - central visual acuity which "does not exceed 20/200 in the better eye with correcting lenses or...visual acuity if better than 20/200...accompanied by a limit to the field of vision in the better eye to such a degree that its widest diameter subtends an angle no greater than 20 degrees."

**Severe Disability** - A severe physical or mental impairment (a residual, limiting condition resulting from an injury, disease, or congenital defect) which so limits the person's functional capabilities (mobility, communication, self-care, self-direction, work tolerance or work skills) that the individual is unable to engage in normal competitive employment over an extended period of time."

Medical documentation for an individual's eligibility under one the above definitions must be provided by a qualified professional.

With respect to those who are blind and being served by JWOD participating agencies, a 1992 survey revealed that in almost 40 percent of cases, such individuals have a secondary disability in addition to being blind. Approximately 85 percent of the persons with severe disabilities employed by NISH-affiliated agencies have cognitive disabilities or mental illness, and almost 60 percent of these individuals have more than one disability.<sup>2</sup>

### **JWOD's Accomplishments - A Status Report:**

Although JWOD has always been a national program, FY 1994 marked the first year in which nonprofit agencies in every State and the District of Columbia held JWOD contracts. Of the 567 nonprofit agencies which produced JWOD supplies and services in FY 1994, 491 were affiliated with NISH and 76 were affiliated with NIB.

The number of people served by the JWOD Program has increased steadily over the years (see Fig. 3) and it continues to grow. In FY 1994 the JWOD Program generated employment opportunities for 26,664 people who are blind or have other severe disabilities. The number of hours worked by Program participants in FY 1994 totaled 21.1 million hours, while wages paid to JWOD workers with severe disabilities totaled \$124.8 million. The average hourly wage was \$5.91, which was an increase of approximately five percent over FY 1993 (see Fig. 4). This trend is expected to continue as efforts to partner with Federal agencies seeking to contract for higher paying service jobs bear fruit. Figure 2 illustrates the distribution of JWOD work in each State, broken out by the number of employees with severe disabilities, the number of hours worked by those employees, and wages paid.

From its inception in 1938, when only mops and brooms were produced, the JWOD Program has undergone significant change and expansion. Today, over 4,000 supplies and services are furnished to Federal customers by participating nonprofit agencies. The supplies furnished include office products, textiles, medical supplies, wood and metal products. They range from pads of self-stick removable notes to suture removal kits for VA medical centers and camouflage clothing for the military.

JWOD service contracts provide a variety of employment opportunities in a wide range of work settings. Functions performed under such contracts include administrative support, food services, laundry and dry cleaning, grounds maintenance, shelf stocking, janitorial service and microfiche reproduction. Under the JWOD Program, people with severe disabilities are, for example, entering data into computers at the U.S. Patent and Trademark Office, performing mailroom services at the Department of Energy, and operating switchboards at the Department of Veterans Affairs. This work is performed on site in Government facilities, and often involves working closely with Federal staff.

### **New Challenges and Opportunities Amidst Federal Procurement Reform**

In meeting its goal of using the Federal procurement system to generate employment

and training opportunities for people with severe disabilities, the JWOD Program brings together the Government's procurement system and the Nation's vocational rehabilitation programs. The passage of the Rehabilitation Act of 1973, as amended, and the Americans With Disabilities Act in 1990 signified changing attitudes about the capabilities, rights and responsibilities of people with disabilities. A more recent piece of legislation, the Federal Acquisition and Streamlining Act of 1994, affects the JWOD Program because by significantly altering the Government's procurement system. This combination of changing policies--regarding consumer choice in vocational rehabilitation and Federal procurement--creates some challenges for the JWOD Program, but is also releasing new energy and leading to expanded opportunities for JWOD participants.

The Federal Acquisition and Streamlining Act is an outgrowth of the National Performance Review, which the Clinton Administration initiated in 1993 under the leadership of Vice President Gore. Its stated goal is "...to make the entire federal government both less expensive and more efficient, and to change the culture of our national bureaucracy away from complacency and entitlement and toward initiative and empowerment."<sup>1</sup> When it came to reforming the federal government's procurement system, the National Performance Review recommended that rigid procurement rules and government unique specifications be replaced with more flexible guidelines and an increased emphasis on commercial standards and partnerships with the private marketplace.

The JWOD Program was also scrutinized as part of the National Performance Review, which recognized its vital role as an employment and training program targeted to a group of Americans facing an unemployment rate that exceeds 65 percent. As a result of the Federal Acquisition and Streamlining Act, however, the JWOD Program is now on a new playing field full of both challenge and opportunity.

For example, the new procurement law simplifies purchasing procedures, thereby facilitating the use of a Government-sponsored credit card by thousands of Federal employees. Many of these new users are "program" employees with little experience in procurement and often no knowledge of the existence or purpose of the JWOD Program. Thus, instead of buying office supplies at competitive, and often lower, prices through JWOD's Government distributor, the General Services Administration's Federal Supply Service, some Government workers are beginning to buy them from retailers selling similar, but non-JWOD, items. In the "re-inventing Government" atmosphere, JWOD is working hard to inform a new population of Government buyers about its benefits and to explore ways of increasing their access to JWOD supplies.

Military downsizing and the goal of both the National Performance Review and Congressional reforms to reduce the Government's civilian labor force threaten JWOD sales, and thus jobs, for people with disabilities who produce JWOD supplies. On the other hand, this very reduction in the Government labor pool is creating new opportunities for the provision of services to Federal agencies. As the personnel reductions take place, some agencies are "contracting out" for the services they can no longer provide in-house. The increased opportunities in areas such as switchboard

operation, customer service, grounds maintenance, copy and mailroom services holds considerable potential for community rehabilitation programs to train individuals with severe disabilities for work in new settings.

### **Strengthening Partnerships For the Future**

While addressing both the challenges and opportunities created by Federal procurement reforms, the Committee has not ignored the changes taking place in the vocational rehabilitation community. A Subcommittee on the Future, chaired by RSA Commissioner Fredric Schroeder, has been established to address the effects of those changes on the JWOD Program and the people it serves, as well as to increase collaboration between Federal and State rehabilitation officials and staff and the JWOD team. The goal of the Subcommittee's efforts is maintain and broaden employment options for people with severe disabilities through in the JWOD Program.

To help accomplish its goals, the Subcommittee on the Future seeks to communicate more effectively with other vocational rehabilitation organizations about the full range of options available to persons with severe disabilities through NIB- and NISH-affiliated nonprofit agencies participating in the JWOD Program. Many NIB and NISH affiliates have aggressive programs for placement in competitive employment, as well as other transitional training and employment options which include both supported and facility-based employment. As a consequence, referrals of people with severe disabilities to NIB- and NISH-affiliated agencies in most cases will provide such individuals with a range of choices, as opposed to the sole option of facility-based employment.

To facilitate dialogue with other groups in the vocational rehabilitation community and clarify its position on the need for consumer choice and a variety of employment options--including those offered through JWOD--for people with severe disabilities, the Committee has recently adopted a policy statement titled "Support of Employment Options For People Who Are Blind or Severely Disabled" (Fig. 5). Composed by the Subcommittee on the Future, this policy statement establishes a foundation for discussion with other groups about JWOD options and the types of vocational rehabilitation organizations that receive JWOD contracts. The members of the JWOD team involved in this initiative--the Committee, NIB, NISH and JWOD participating nonprofit agencies--are inviting all interested parties to assist in capitalizing on the change now occurring and in exploring additional and more diverse vocational opportunities for Americans with severe disabilities.

Professionals, consumers and students involved with vocational rehabilitation issues and the employment needs of people with severe disabilities are urged to request a listing of the JWOD participating agencies in their State and to schedule a visit. The Committee's Annual Report provides a complete listing of NIB and NISH affiliated agencies currently employing people with severe disabilities through JWOD contracts. It also provides more detailed information about JWOD and its participants. To request the Annual Report or further information about the work of the Committee, NIB or NISH, please contact a member of the JWOD team:

### **Committee for Purchase From People**

**Who Are Blind or Severely Disabled:**

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## References

1. Gore, Albert (1993), Creating a government that works better & costs less, *Report of the National Performance Review, Executive Summary*, Preface.
2. Kurtz, J. & Research & Evaluation Associates, Inc. (1992), *Demographic Profile of the Javits-Wagner-O'Day Population, A National Survey*. For related article see Milkman, B., Kurtz, J. & Putnam, K. (1993), Who are they? Some answers from a survey of Javits-Wagner-O'Day employees, *American Rehabilitation*, 19(1), 7-11.